

Gustavo Grullon

Jesse H. Jones Graduate School of Management
Rice University
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Education

Ph.D. in Management (January 1999)
S. C. Johnson Graduate School of Management, Cornell University
Dissertation: "Essays on Corporate Payout Policy"

American Economics Association Summer Minority Program (Summer 1992)
Stanford University
Three graduate courses emphasizing applied economics and quantitative analysis.

B.B.A. (May 1991)
University of Puerto Rico, Río Piedras Campus
Majors: Finance and Economics

Employment

Associate Professor of Management (with tenure)
Jones Graduate School of Management, Rice University (July 2005 – Present)

Assistant Professor of Management
Jones Graduate School of Management, Rice University (July 1998 – June 2005)

Economic Advisor
House of Representatives of Puerto Rico (May 1991 – July 1993)

Instructor
University of Puerto Rico, Río Piedras Campus (August 1992 – May 1993)

Research Interests

Empirical Corporate Finance
Empirical Asset Pricing

Courses Taught

Corporate Investment Policy ((Second-Year MBA Course, Rice University)

Corporate Financial Policy (Second-Year MBA and Executive-MBA Course, Rice University)

Corporate Finance (First-Year Executive-MBA Course, Rice University)

Corporate Financial Management (Second-Year MBA Course, Rice University)

Mergers and Acquisitions (Second-Year MBA and Executive-MBA Course, Rice University)

Finance (First-Year MBA Course, Rice University)

Introduction to Finance (Undergraduate Course, Cornell University)

Money and Banking (Undergraduate Course, University of Puerto Rico, Río Piedras Campus)

Honors and Awards

- 2006 One of the five finalists for the Brattle Prize (awarded to the best paper in corporate finance published in the *Journal of Finance*)
- 2006 Jesse H. Jones Graduate School of Management Award for Scholarship Excellence
- 2006 Best Discussant at the Caesarea Center 3rd Annual Academic Conference
- 2005 Nomination for the Smith-Breeden Prize (awarded to the best paper published in the *Journal of Finance*)

Publications

Academic Publications

1. “Has the Propensity to Pay Out Declined?” with Brad Paye, Shane Underwood, and James Weston, *Journal of Financial and Quantitative Analysis*, forthcoming.
2. “What Drove the Increase in Idiosyncratic Volatility during the Internet Boom?” with Jason Fink, Kristin Fink, and James Weston, *Journal of Financial and Quantitative Analysis*, forthcoming.
3. “Can Managers Successfully Time the Maturity Structure of Their Debt Issues?” with Alex Butler and James Weston, *Journal of Finance*, 61 (2006), 1731-1758.
 - ◇ Nominated for the 2006 Brattle Prize.
4. “The Impact of Capital Structure on Advertising Competition: An Empirical Study” with George Kanatas and Piyush Kumar, *Journal of Business*, 79 (2006), 3101-3124.

5. “Can Managers Forecast Aggregate Market Returns?” with Alex Butler and James Weston, *Journal of Finance*, 60 (2005) 963-986.
 - ◊ Nominated for the 2005 Smith Breeden Prize.
6. “Stock Market Liquidity and the Cost of Issuing Equity” with Alex Butler and James Weston, *Journal of Financial and Quantitative Analysis*, 40 (2005), 331-348.
7. “Dividend Changes Do Not Signal Changes in Future Profitability” with Shlomo Benartzi, Roni Michaely and Richard Thaler, *Journal of Business*, 78 (2005), 1659-1682.
8. “Advertising, Breadth of Ownership, and Liquidity” with George Kanatas and James Weston, *Review of Financial Studies*, 17 (2004), 439-461.
9. “The Information Content of Share Repurchase Programs” with Roni Michaely, *Journal of Finance*, 59 (2004), 651-680.
10. “Dividends, Share Repurchases, and the Substitution Hypothesis” with Roni Michaely, *Journal of Finance*, 57 (2002), 1649-1684.
 - ◊ Abstracted in *The CFA Digest*, February 2003, 10-12.
 - ◊ Abstracted in *Investor Relations Quarterly*, Volume 5, 2002, 20-37.
11. “Are Dividend Changes a Sign of Firm Maturity?” with Roni Michaely and Bhaskaran Swaminathan, *Journal of Business*, 75 (2002), 387-424.
 - ◊ Lead Article
 - ◊ Abstracted in *The CFA Digest*, February 2003, 33-34.
 - ◊ Abstracted in *Economic Intuition*, Spring 2002, 19-20.
12. “Closed-End Fund Discounts with Informed Ownership Differential” with Albert Wang, *Journal of Financial Intermediation*, 10 (2001), 171-205.
13. “Capital Adequacy, Bank Mergers, and the Medium of Payment” with Roni Michaely and Itzhak Swary, *Journal of Business Finance and Accounting*, 24 (1997), 97-124.

Other Publications

Comments on “The Effects of Taxes on Market Responses to Dividend Announcements and Payments: What Can We Learn from the 2003 Dividend Tax Cut?” in Alan Auerbach, James R. Hines, and Joel Slemrod, eds. *Taxing Corporate Income in the 21st Century*, Cambridge University Press.

“What Do We Know About Stock Repurchases?” with Dave Ikenberry, *Journal of Applied Corporate Finance*, 13 (2000), 31-51.

- ◊ Reprinted in *The Revolution in Corporate Finance*, edited by J.M. Stern and D.H. Chew, Jr. (Fourth Edition).
- ◊ Abstracted in *The CFA Digest*, February 2001, 61-62.

Working Papers

“Corporate Payout Policy and Product Market Competition” with Roni Michaely.

“Real Options, Volatility, and Stock Returns” with Evgeny Lyandres and Alexei Zhdanov.

“Corporate Financing Decisions and Managerial Market Timing” with Alex Butler, Jess Cornaggia, and James Weston.

“Product Market Competition and Agency Conflicts: Evidence from the Sarbanes Oxley Law” with Vidhi Chhaochharia, Yaniv Grinstein and Roni Michaely.

“Equity Issues and Returns: Managerial Timing, Reaction, or Both?” with Alex Butler, Jess Cornaggia, and James Weston.

Research Projects in Progress

“Comovement and Investment Banking Networks” with Shane Underwood and James Weston.

“Debt Ratings and Predatory Behavior” with Nishad Kapadia.

“Culture and Shareholder Expropriation” with George Kanatas and James Weston.

“Culture and Saving Rates” with George Kanatas and James Weston.

Presentations

2009 American Finance Association Meetings, Texas A&M

2008 American Finance Association Meetings, University of Miami, University of British Columbia Winter Conference, Louisiana State University, Western Finance Association Meetings, University of Illinois at Urbana-Champaign, University of Texas at San Antonio

2007 Texas A&M International, University of Oklahoma, Texas State University, Georgia State University

2006 University of Missouri at Columbia, Vanderbilt University, University of Maryland

2005 University of Texas at Austin, Financial Management Association Meetings, University of Texas at Dallas, Boston College

2004 American Finance Association Meetings, Financial Management Association Meetings, Western Finance Association Meetings, National Bureau of Economic

- Research Corporate Finance Program, Cornell University, Washington University at St. Louis, Texas Christian University
- 2003 American Finance Association Meetings, Financial Management Association European Conference, University of Minnesota
- 2002 American Finance Association Meetings, National Forum on Corporate Finance, Southern Methodist University
- 2001 Australian Graduate School of Management Finance and Accounting Research Camp, Financial Management Association European Conference, Securities and Exchange Commission, Western Finance Association Meetings
- 2000 Texas Finance Festival, Western Finance Association Meetings
- 1999 American Finance Association Meetings, Texas Finance Festival, Western Finance Association Meetings, National Bureau of Economic Research
- 1998 Cornell University, Dartmouth College, Harvard University, University of North Carolina, Rice University, Tulane University, University of Pennsylvania

Conference Discussant

- 2007 The 13th Mitsui Life Symposium, Western Finance Association Meetings
- 2006 American Finance Association Meetings, American Economic Association Meetings, University of North Carolina Tax Symposium, The Caesarea Center 3rd Annual Academic Conference, Financial Management Association Meetings
- 2005 American Finance Association Meetings, Taxing Corporate Income in the 21st Century at the University of Michigan, Financial Management Association Meetings
- 2004 Financial Management Association Meetings, American Finance Association Meetings
- 2003 Financial Management Association European Conference
- 2001 Financial Management Association European Conference
- 2000 American Finance Association Meetings

Session Chair

- 2007 Western Finance Association Meetings
- 2006 North American Economics and Finance Association Meetings

- 2004 Financial Management Association Meetings
2001 Financial Management Association European Conference
1999 Financial Management Association Meetings

Editorial Appointments

Associate Editor, *Financial Management* (2006 - Present)

Referee Services

Journal of Finance
Review of Financial Studies
Journal of Financial Economics
Journal of Business
Journal of Financial and Quantitative Analysis
Journal of Financial Intermediation
Journal of Financial Markets
Journal of Banking and Finance
Financial Management
Journal of Empirical Finance
Financial Analysts Journal
The Financial Review
Southern Economic Journal
Pacific-Basin Finance Journal
Quarterly Review of Economics and Finance
Social Sciences and Humanities Research Council of Canada
Global Finance Journal
Contemporary Accounting Research
Management Science
Journal of Business and Economic Statistics
Journal of Financial Research
Journal of Business Finance and Accounting
Managerial and Decision Economics
Review of Finance
Review of Economics and Statistics
Journal of Corporate Finance
European Journal of Finance
Quantitative Finance
National Tax Journal

University Service

Promotion and Tenure Committee
Academic Standards Committee

Ph.D. Program Committee
Dean Search Committee
Executive Programs Committee
Quantitative Analysis and Computing Committee
Research Council

Selected Quotes and References in Media

ABC News.com – MONEYScope (January 8, 2003)
The Globe and Mail Report on Business Magazine (October 25, 2002)
IE: Money (October 2002)
MSN Money – The Speculator (October 17, 2002)
Forbes Growth Investor (September 2002)
Wall Street Journal (June 17, 2002)
San Diego Union Tribune (March 17, 2002)
CBS MarketWatch (February 22, 2002)
Pittsburgh Post-Gazette (October 16, 2000)
New York Times (August 6, 2000)
SmartMoney Magazine (July 2000)
Financial Times (May 19, 1999)